

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



Tianjin Capital Environmental Protection Group Company Limited  
天津創業環保集團股份有限公司

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1065)**

**ALIGNMENT IN PREPARATION OF  
FINANCIAL STATEMENTS IN ACCORDANCE WITH  
CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES  
AND  
CESSATION OF RE-APPOINTMENT OF INTERNATIONAL AUDITOR**

**ALIGNMENT IN PREPARATION OF FINANCIAL STATEMENTS IN ACCORDANCE  
WITH CHINA ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES**

Since the date on which the H Shares of Tianjin Capital Environmental Protection Group Company Limited (the “**Company**”) were listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Company has been preparing its financial statements under both the China Accounting Standards for Business Enterprises and the Hong Kong Financial Reporting Standards.

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” (《有關接受在香港上市的內地註冊成立公司採用內地的會計及審計準則以及聘用內地會計師事務所的諮詢總結》) published by the Stock Exchange in December 2010, Mainland China incorporated issuers listed in Hong Kong are allowed to prepare their financial statements in accordance with the China Accounting Standards for Business Enterprises and Mainland China audit firms approved by the Ministry of Finance of the People’s Republic of China (the “**MOF**”) and the China Securities Regulatory Commission (the “**CSRC**”) are allowed to adopt the China Standards on Auditing in providing services to such issuers.

In order to improve working efficiency, lower disclosure costs and audit costs, since the financial year 2021, the Company decided to align the preparation of its financial statements and disclose relevant financial information in accordance with China Accounting Standards for Business Enterprises.

The Company is of the view that the preparation of all of its financial statements in accordance with the China Accounting Standards for Business Enterprises will not have a significant impact on the financial position, operating results and cash flows of the Company in the financial year 2021 and in the future.

## CESSATION OF RE-APPOINTMENT OF INTERNATIONAL AUDITOR

The Company held the 2020 annual general meeting on 27 May 2021, at which it has considered and approved the joint provision of auditing services to the Company for the financial year 2021 by PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers, among which PricewaterhouseCoopers shall provide international auditing services. However, given that the Company has aligned the preparation of its financial statements in accordance with China Accounting Standards for Business Enterprises and PricewaterhouseCoopers Zhong Tian LLP is a firm of practicing accountants which has been approved by the MOF and the CSRC and is eligible to provide auditing services by using the Standards for Chinese Certified Public Accountants to Mainland China incorporated issuers listed in Hong Kong, the Company has only appointed PricewaterhouseCoopers Zhong Tian LLP as the Company's auditor for the financial year 2021 and to undertake other responsibilities of domestic and international auditors which are required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The directors (including independent non-executive directors) and the supervisors of the Company are of the view that, the alignment in preparation of financial statements in accordance with China Accounting Standards for Business Enterprises is in favor of the Company to improve working efficiency, lower disclosure costs, and in compliance with the relevant laws and regulations; and there is no negative impact on the interests of the Shareholders. Therefore, the directors and the supervisors of the Company have agreed that the Company should prepare all of its financial statements in accordance with the China Accounting Standards for Business Enterprises in future, and cease to re-appoint its international auditor.

PricewaterhouseCoopers has provided a confirmation that there are no matters regarding the cessation of re-appointment of international auditor that need to be brought to the attention of shareholders of the Company (the "**Shareholders**"). There is no disagreement between the Company and PricewaterhouseCoopers regarding the cessation of its re-appointment.

The appointment of PricewaterhouseCoopers Zhong Tian LLP had been considered and approved at the 70th meeting of the eighth session of the Board of the Company, among which the proposed re-appointment of PricewaterhouseCoopers Zhong Tian LLP to provide the Company with auditing services for the 2022 financial report in compliance with the China Accounting Standards for Business Enterprises, the internal control audit services for 2022, and to undertake other responsibilities of an international auditor which are required by the Listing Rules are subject to the Shareholders' approval at the upcoming annual general meeting of the Company. A proposal will also be made to the annual general meeting to authorize the Board to determine the remuneration of the Company's auditor.

By Order of the Board  
**Liu Yujun**  
*Chairman*

Tianjin, the PRC  
25 April 2022

*As at the date of this announcement, the Board comprises three executive Directors: Mr. Liu Yujun, Ms. Wang Jing and Mr. Niu Bo; three non-executive Directors: Mr. Gu Wenhui, Mr. Si Xiaolong and Mr. Liu Tao; and three independent non-executive Directors: Mr. Xu Zhiming, Mr. Guo Yongqing and Ms. Lu Yingying.*